

## Message Text

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ACTION AGRE-00

INFO OCT-01 EA-10 ISO-00 CEA-01 CIAE-00 COME-00  
DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15  
STR-07 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01  
DOE-15 JUSE-00 /111 W  
-----067110 211742Z /43

R 210814Z AUG 78  
FM AMEMBASSY TAIPEI  
TO SECSTATE WASHDC 8662  
INFO AMEMBASSY SEOUL  
AMCONSUL HONG KONG

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DEPT PASS ELECTRONICALLY USDA/FAS  
FOR SINDELAR AND GEERKIN

E.O. 11652: N/A  
TAGS: EAGR, ETRD, TW  
SUBJ: CANNED MUSHROOMS

REF: STATE 57697

1. ASST STR STEPHEN LANDE HAD FACT FINDING DISCUSSION  
WITH ROC VICE MINISTER FOR FOREIGN TRADE Y.T. WONG, ON  
IMPORTS OF TAIWANESE CANNED MUSHROOMS. LANDE NOTED THAT  
THE INCREASE APPEARED TO BE INCONSISTENT WITH ASSURANCES  
CONTAINED IN LETTERS EXCHANGED IN MARCH 1977 BETWEEN ROC  
AMBASSADOR CHEN AND AMBASSADOR WOLFF THAT THE ROC WOULD  
NOT INCREASE EXPORTS TO THE U.S. AT A RATE WHICH WOULD  
DISRUPT THE U.S. MARKET. LANDE ALSO POINTED OUT THE CON-  
GRESSIONAL INTEREST, PARTICULARLY THAT OF SENATOR HEINZ,  
IN THE MATTER.

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2. A LENGTHY DISCUSSION OF U.S. AND GROC TRADE STATISTICS  
TOOK PLACE AND THE GROC PROVIDED MONTH BY MONTH EXPORT  
DATA FOR 1976, 1977 AND THE FIRST HALF OF 1978. DIS-  
CUSSION CENTERED AROUND APPROPRIATE PERIOD TO USE AND  
DIFFERENCES BETWEEN IMPORT AND EXPORT STATISTICS. WHILE  
ADMITTING 1977 INCREASE OVER 1976, TAIWANESE EXPORT  
STATISTICS SHOWED THAT 1978 EXPORTS ONLY SLIGHTLY ABOVE

1977 RATE SO FAR. USUAL DECLINE IN SECOND HALF OF YEAR SHOULD RESULT IN EXPORTS NOT EXCEEDING 1.93 MILLION STANDARD CASES TOTAL OF 1977. LANDE POINTED OUT THAT U.S. IMPORT STATISTICS SHOWED 40 PERCENT INCREASE IN FIRST HALF OF 1978 OVER SAME PERIOD IN 1977 AND WAS CAUSE OF CONCERN.

3. WONG FURTHER MAINTAINED THAT THERE WAS NO INDICATION OF MARKET DISRUPTION AND SAID PROBLEM COULD WELL BE ONE OF SHORTAGE OF MUSHROOMS FOR CANNING IN THE U.S. LANDE POINTED TO DECREASING DOMESTIC PRODUCTION AND SALES FROM INVENTORY CAUSED BY UNCERTAINTY OF DOMESTIC PRODUCERS OVER IMPORT COMPETITION. MINISTER WONG SAID THAT IF NECESSARY HE WOULD BE GLAD TO CONSULT ON MUSHROOMS WHEN HE IS IN WASHINGTON IN SEPTEMBER FOR BILATERAL TRADE CONSULTATIONS.

4. ON QUESTION OF COVERAGE, WHILE ADMITTING MARCH 1977 EXCHANGE OF LETTERS COULD BE CONSTRUED TO INCLUDE "STRAW" MUSHROOMS, WONG SAID IT WAS NOT APPROPRIATE TO COUNT THEM SINCE THEY DID NOT COMPETE WITH U.S. PRODUCED MUSHROOMS AND WERE ONLY USED BY CHINESE COMMUNITY. IN ANY CASE, HE NOTED QUANTITIES WERE SMALL AND HAD NOT SURGED. HE PROMISED TO PROVIDE US WITH "STRAW" MUSHROOM STATISTICS AND AGREED THAT BOTH SIDES WOULD, IN THE MEANTIME, ATTEMPT TO RECONCILE DIFFERING STATISTICS.  
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5. LANDE RAISED THE PROBLEM OF TRANSHIPMENT OF ROC MUSHROOMS THROUGH HONG KONG. MINISTER WONG EXPLAINED THAT THE ROC WAS VERY UNHAPPY WITH THE SITUATION. HE SAID THAT THE GROC REQUIRED THAT TAIWAN MUSHROOMS EXPORTED TO HONG KONG BE PACKED IN BRINE WITH HIGH SALT CONTENT SO THAT THEY COULD NOT BE RE-EXPORTED. HONG KONG EXPORTERS WERE, HOWEVER, DE-SALTING THE TAIWANESE MUSHROOMS, REPACKING THEM WITH MAINLAND CHINESE MUSHROOMS AND LABELING THEM AS TAIWAN ORIGIN MUSHROOMS. THE QUALITY OF THE REPACKED MUSHROOMS WAS POOR AND REFLECTED BADLY ON TAIWAN. HOWEVER, BECAUSE TAIWANESE MUSHROOMS WERE TRADITIONALLY EXPORTED TO HONG KONG FOR USE IN HONG KONG AND TRANSHIPMENT TO OVERSEAS CHINESE COMMUNITIES IN ASIAN AND OTHER COUNTRIES, THE GROC COULD NOT CONTROL THIS PRACTICE.  
UNGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MUSHROOMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 aug 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978TAIPEI05543  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Office:** ACTION AGRE  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 3  
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**Previous Handling Restrictions:** n/a  
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**Review Event:**  
**Review Exemptions:** n/a  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CANNED MUSHROOMS  
**TAGS:** EAGR, ETRD, TW  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
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